



Enterprise Management & Innovation (Pty) Ltd

SOUTH AFRICA: INCREASING EMPLOYMENT OPPORTUNITIES IN AGRICULTURE (AGRILINK II) PROJECT

(Contract No. 674-C-00-01-00032-01)

(Project No. 674-0326-3-10004)

**1st QUARTERLY REPORT, FY '02
(13/08/2001 – 31/12/2001)**

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EXECUTIVE SUMMARY

On 13th August 2001, Enterprise Management & Innovation (Pty) Ltd. (EM&I) was awarded the USAID/South Africa-funded South Africa: Increasing Employment Opportunities in Agriculture (AGRILINK II) Project contract. This report details AGRILINK II Project activities from 13th August through 31st December 2001.

During 1st Quarter, FY'02, the AGRILINK II Project achieved solid progress, as measured by its performance impact indicators in five (5) programmatic areas:

- **SO5: Increased Market-Driven Employment Opportunities Created:**
A total of 2,263 employment opportunities were created (27% of the FY'02 target).
- **Increased Commercial Viability of Existing Small and Medium Agribusiness:**
The commercial viability of small and medium agribusinesses was increased through the facilitation of 6,770 transactions (33% of the FY'02 target).
- **Markets for Small and Medium Agribusiness Growth Identified:**
6,320 markets for small and medium agribusinesses were identified (39% of the FY'02 target).
- **Enhanced Small and Medium Agribusiness Capacity to Respond to Markets:**
The capacity of small and medium agribusinesses to respond to markets was enhanced by facilitating business skills training for 1,492 historically disadvantaged farmers (20% of the FY'02 target). The project also introduced 127 value-added technologies (21% of the FY'02 target).
- **Increased Small and Medium Agribusiness Access to Capital Resources:**
Access to finance was increased for 517 small and medium agribusinesses (97% of the FY'02 target).

Eleven (11) Linkage Catalyst grantees were selected during the reporting period, representing agricultural unions and associations, agricultural technology agencies, HIV/AIDS organizations and agricultural policy and regulatory reform consultants. In addition, HIV/AIDS education was provided to two hundred sixty three (263) project clients. A total of \$379,232 in project funds was expended during 1st Quarter, FY'02

TABLE OF CONTENTS

EXECUTIVE SUMMARY.....	i
TABLE OF CONTENTS.....	ii
ACRONYMS and ABBREVIATIONS.....	iii
1.0 INTRODUCTION	1
2.0 PROJECT IMPLEMENTATION.....	1
2.1 Increased Market-Driven Employment Opportunities.....	1
2.2 Increased Commercial Viability of Existing Small and Medium Agribusinesses ..	1
2.3 Small Agribusiness Markets Identified.....	1
2.4 Small Agribusiness Capacity to Capitalize on Market Opportunities Enhanced	2
2.5 Increased Small Agribusiness Access to Capital.....	3
2.6 Capacity to Address Sectoral Policy and Regulatory Constraints Increased.....	3
2.7 Linkage Catalyst Agreements.....	4
2.8 Gender Concerns.....	5
2.9 Environmental Concerns.....	5
2.10 HIV/AIDS Awareness, Prevention and Mitigation	5
2.11 Performance Indicators	6
2.12 Monitoring and Evaluation.	6
3.0 PROJECT ADMINISTRATION	7
3.1 Personnel.....	7
3.2 Procurement.....	8
3.3 Management Systems	8
3.4 Staff Training.....	8
3.5 Project Deliverables.....	8
3.6 USAID Coordination, Notifications, Requests, Reporting, Pending Actions	9
4.0 CONSTRAINTS/SOLUTIONS	10
5.0 MODIFICATIONS IN THE 1st YEAR WORK PLAN.....	10
6.0 PROJECT ACTIVITY LEVEL OF EFFORT (LOE) CHART	11
7.0 FINANCE	11
8.0 PROJECTED 2nd QUARTER, FY'02 ACTIVITIES	11
APPENDICES	
1. AGRILINK II Project Performance Indicators	14
2. AGRILINK II Project Staff Organigram.....	15
3. AGRILINK II Project Internal Management Forms.....	16
4. AGRILINK II Project Coordination Meetings	17
5. AGRILINK II Project Major Project Activities Level of Effort Chart.....	22
6. AGRILINK II Project Quarterly Financial Summary	23

ACRONYMS and ABBREVIATIONS

ABC	Agricultural Business Chamber
ABSA	Amalgamated Bank of South Africa Ltd.
AGRILINK	Increasing Employment Opportunities in Agriculture Project (2000-2001)
AGRILINK II	Increasing Employment Opportunities in Agriculture Project (2001-2006)
APS	Annual Program Statement
ARC	Agricultural Research Council
ARDC	Agricultural and Rural Development Corporation
ATICC	AIDS Training Information Counseling Center
CCHC	Choice Comprehensive Health Care
CEP	Commodity Export Program
CRS	Catholic Relief Services
CSIR	Council for Scientific and Industrial Research
CTO	Cognizant Technical Officer
DLA	Department of Land Affairs
EM&I	Enterprise Management and Innovation (Pty) Ltd
FY	Financial Year
GNFU	Great North Farmers Union
IDC	Industrial Development Corporation
IDT	Independent Development Trust
IR	Intermediate Result Objective
KWANALU	KwaZulu-Natal Agricultural Union
KZN	KwaZulu-Natal
LOE	Level of Effort
LRAD	Land Redistribution for Agricultural Development Program
NAFU	National African Farmers Union
NAMC	National Agricultural Marketing Council
NDA	National Department of Agriculture
NERPO	National Emergent Red Meat Producers Organization
NGO	Non-Governmental Organization
NICRA	Negotiated Indirect Cost Agreement
PACD	Project Activity Completion Date
PMA	Produce Marketing Association
PMP	Performance Monitoring Plan
R	Rand
RCO	Regional Contracting Officer
RLA	Regional Legal Advisor
S.A.	South Africa
SO5	Strategic Objective 5
TA	Technical Assistance
USAID	United States Agency for International Development
US\$	United States Dollar
VAT	Value-Added Tax
1 st QTR	First Quarter
2 nd QTR	Second Quarter
3 rd QTR	Third Quarter
4 th QTR	Fourth Quarter

1.0 INTRODUCTION

This 1st Quarterly Report, FY'02 details the activities performed on the USAID/South Africa-funded South Africa: Increasing Employment Opportunities in Agriculture (AGRILINK II) Project, (Contract No. 674-C-00-01-00032-01), from its commencement on 13th August 2001 until the end of the reporting period on 31st December 2001.

The report is divided into the following sections: Chapter 1: Introduction; Chapter 2: Project Implementation, detailing market-driven employment opportunities, markets identified, capacity to capitalize on market opportunities, access to capital, policy and regulatory constraints and Linkage Catalyst Agreements; Gender Concerns, describing the integration of gender in the project; Environmental Concerns, detailing environmental interventions; HIV/AIDS – Awareness, Prevention and Mitigation, providing information on HIV/AIDS interventions; Performance Indicators: detailing progress made towards project targets; Monitoring and Evaluation: detailing the development of the Performance Monitoring Plan; Chapter 3: Project Administration, addressing personnel, procurement, management systems, staff training, project deliverables, USAID coordination, notifications, requests, reporting, pending actions and stakeholder meetings; Chapter 4: Constraints/Solutions, describing challenges faced during project implementation and how they have been addressed; Chapter 5: Modifications in the First Year Work Plan, detailing changes in the quarterly projections; Chapter 6: Project Activity Level of Effort (LOE) Chart, presenting the allocation of personnel time; Chapter 7: Finance, detailing the financial status of the project; Chapter 8: Projected 2nd Quarter, FY '02 Activities, listing the projected activities by month during January – March 2002, and an Appendix with AGRILINK II Staff Organigram, Internal Management Forms, Coordination Meetings, Major Project Activities Level of Effort Chart and the Quarterly Financial Summary.

2.0 PROJECT IMPLEMENTATION

2.1 Increased Market-Driven Employment Opportunities

In 1st Quarter, FY'02, two thousand two hundred sixty three (2,263) Market-Driven Employment Opportunities, or 27% of the FY'02 target of eight thousand three hundred (8,300), were created through AGRILINK II Project facilitated transactions. Three hundred forty (340) employment opportunities, or 15% of the total, were generated for female project clients.

2.2 Increased Commercial Viability of Existing Small and Medium Agribusinesses

The AGRILINK II Project facilitated the increased commercial viability of small and medium agribusinesses in 1st Quarter, FY'02 through six thousand seven hundred and seventy (6,770) transactions, of which one thousand three hundred and eleven (1,311) involved females. This represents 33% of the FY'02 target of sixteen thousand four hundred ninety (16,490). The transactions totaled \$2,327,310 (R27,276,077).

The percentage of business transactions with small and medium agribusinesses that include some female ownership and active participation has been targeted as a specific performance indicator. In 1st Quarter, FY'02, women were involved in 19% of AGRILINK II Project transactions, in line with the FY'02 target of 20%.

2.3 Markets for Small and Medium Agribusiness Identified

In 1st Quarter, FY'02, the AGRILINK II Project identified six thousand three hundred twenty (6,320) markets for small and medium agribusinesses of which one thousand one hundred forty

one (1,141) involved women. This figure represents 39% of the FY'02 target of fifteen thousand nine hundred ninety (15,990). In addition, two thousand nine hundred sixty one (2,961) small and medium agribusinesses were assisted to establish markets with larger entities. Of these five hundred twenty four (524) market linkages, or 18%, were created for women-owned agribusinesses.

Highlights

Markets Identified/Livestock: The AGRILINK II Project Eastern Cape office has strengthened relations with the Stockowners Association and Elliot Brothers, local livestock auctioneers. This relationship represents the major market linkage in Eastern Cape between small and medium agribusinesses and a large entity. It was built on mutual cooperation in identifying fifteen (15) new livestock sale areas, through AGRILINK's mobilization of new and repeat farmer clients and increased sale prices generated by younger, better quality stock.

Markets Identified: On the AGRILINK I pilot project four (4) new livestock pens were built and six (6) were repaired in Eastern Cape. The availability of these pens has supported seven (7) AGRILINK II Project livestock sales worth \$2,674 (R294,115), which could not have been achieved otherwise.

Markets Identified/Profitable Product Lines Enhanced: The AGRILINK II Project Eastern Cape office has enhanced the profitability of the wool sold by local wool producers. Linkage Officers met with major wool brokers and the Department of Agriculture Extension Officers to facilitate a process that adds value to the farmers by training them how to sort and bale the wool prior to pick-up by the brokers. This resulted in a 300% increase in the price the farmer receives, from R5/kg to R15/kg.

Markets Identified/Livestock: The success of the AGRILINK II Project's relationship with the Stockowners Association, Eastern Cape Office has motivated the development of a similar relationship with the regional livestock owners association in KwaZulu-Natal.

2.4 Small Agribusiness Capacity to Capitalize on Market Opportunities Enhanced

In 1st Quarter, FY'02, the AGRILINK II Project enhanced the capacity of small agribusiness to capitalize on market opportunities through business skills training and value-added technology. A total of one thousand four hundred ninety two (1,492) small historically disadvantaged farmers have received business training out of the FY'02 target of 7,200: nine hundred thirty-three (933) males and five hundred fifty nine (559) females. This represents a total of one thousand one hundred seventeen (1,117) entrepreneur hours in business training: six hundred ninety seven (697) hours for males and four hundred twenty (420) hours for females.

During the reporting period the AGRILINK II Project introduced one hundred twenty seven (127) value-added technologies, 21% of the FY'02 target. Of the quarterly number of value-added technologies, forty two (42), or 33%, were facilitated on behalf of female clients.

Highlights

Business Training: In 1st Quarter, FY'02, Eastern Cape Linkage Officers provided specific training in how livestock auctions work as they mobilized communities. This has translated into increased farmer participation and more effective auctions.

Business Training: The Agrilink II Project facilitated practical training in land valuation for twenty (20) Uvimba Finance Limited loan officers, all qualified agricultural extension agents.

Technology Transfer: In Eastern Cape the AGRILINK II Project facilitated the transfer of three (3) Nguni bulls to three (3) regional farmer associations: Bolotwa Farmers Trust, Bell Farmers Association and Nontuthuzelo Farmers Association. This was a pilot project to improve the genetic material of cattle in the province and to introduce animals that are adapted to local conditions. The Agricultural Research Council-Animal Improvement Institute and the Eastern Cape Department of Agriculture donated the bulls to the farmer associations

Technology Transfer/Business Training: ZZ2 (Ltd) Pty, the largest South African commercial tomato farmer, has agreed to provide tomato production training to the top ten (10) emergent tomato producers in Northern Province. Great North Farmers Union (GNFU), a proposed Linkage Catalyst grantee, will assist in the selection of the farmers and will ensure that the training is then disseminated throughout its membership.

2.5 Increased Small Agribusiness Access to Capital

In 1st Quarter, FY'02, the AGRILINK II Project increased access to capital on behalf of five hundred seventeen (517) agribusinesses, 36% of whom were owned (or with active participation) by women. This represents 97% of the FY'02 target of five hundred thirty (530) entities. The value of these transactions totaled \$889,683 (R10,427,080), toward the FY'02 access to finance target of R49,347,000.

Highlights

Production Loans: Production loans for chemicals and fertilizers worth R2,400,000 were concluded between the Peddie Pineapple Trust and the East Cape Agricultural Co-operative in Port Alfred facilitated by the AGRILINK II Project Eastern Cape office, in collaboration with the Eastern Cape Department of Agriculture and Land Affairs. The Peddie Pineapple Trust has specifically requested that the AGRILINK II Project assist with the marketing of the pineapples when they are ready for harvest.

Land Transfers: In 1st Quarter, FY'02, the AGRILINK II Project Eastern Cape office facilitated land and farm transfers worth R7,619,079, over 3300 hectares, between emerging agribusiness in historically disadvantaged communities and established white farmers, financed by the Department of Land Affairs, and the Land Redistribution and Agricultural Development (LRAD) Facility grants.

This success has had two immediate results: 1) The Eastern Cape Department of Land Affairs has requested the AGRILINK II Project's assistance to facilitate farm transfers worth R40,000,000; 2) The other AGRILINK II Project provincial offices will be staffed with a person specifically trained to facilitate land transfers.

2.6 Capacity to Address Sectoral Policy and Regulatory Constraints Increased

In 1st Quarter, FY'02, the framework for addressing this Intermediate Result was clarified in meetings with Dr. Carole A. Baekey, Managing Director, Carole A. Baekey International Associates, cc. Implementation will begin in 2nd Quarter, FY'02.

2.7 Linkage Catalyst Agreements

In the Technical Proposal it submitted in response to the AGRILINK RFP, EM&I identified strategic South African and international partners to provide provincial, national and international linkages and programmatic delivery. These strategic partners were a) agricultural unions and associations; b) agricultural technology agencies; c) private sector agribusiness firms; d) agribusiness finance institutions; e) HIV/AIDS mitigation agencies; and, f) policy reform consultants. The AGRILINK II Project identified eleven (11) potential grantees in these four (4) areas through a limited competition tender in 1st Quarter, FY '02.

2.7.1 Pre-Award Solicitation and Review of Proposals

On 10th October 2001, Mr. Reibel and Ms. Walker met with the CTO to review initial grant proposal submissions from the strategic partners identified in EM&I's Technical Proposal. Mr. Stockdale informed them that a limited competition tender would be held, in addition to the submission of grant proposals from EM&I's National and Provincial Strategic Partners.

Ms. Walker developed a standardized format for the proposal submissions that was sent in response to any enquiry concerning Linkage Catalyst (Grant) Agreements. On Friday, 19th October 2001, a Call for Proposals was placed in three (3) national papers - The Citizen, Die Beeld, and The Star - and one (1) regional paper - The Mercury. Twenty-three (23) telephone, fax and e-mail responses, as well as sixteen (16) written responses were received, providing an adequate level of participation and competition.

On 25th October 2001, Mr. Stockdale, Mr. Reibel and Ms. Walker formed a Technical Review Team and considered the strengths and weaknesses of each Linkage Catalyst Agreement application. Eleven (11) applicants were selected as grantees, pending further clarifications and the financial assessment.

2.7.2 Technical Evaluation Criteria

- Activity Design: The applicant had to demonstrate the feasibility of the proposed intervention in terms of realistic and achievable results.
- Management Capabilities: The applicant had to demonstrate its management capabilities, especially financial and administrative.
- Proposed Personnel: The applicant had to identify all key team members.
- Presentation: This addressed the quality and clarity of the application, and its responsiveness to the solicitation requirements.
- Cost Proposal: The applicant had to detail all costs associated with the completion of the tasks, as well as institutional overheads and in-kind contributions.

2.7.3 Financial and Management Assessments

During the quarter, Ms. Thoko Twala, Assistant Accountant, EM&I Home Office, conducted Bench Audits, beginning with the KwaZulu-Natal Agricultural Union (KWANALU) on 6th November 2001. She subsequently audited the National Emergent Red Meat Producers Organization (14th November 2001), Choice Comprehensive Health Care (23rd November 2001), AIDS Training and Information Counseling Center/Vukume (4th December 2001) and the Agricultural Business Chamber (7th December 2001). Catholic Relief Services and Land O'Lakes are U.S. organizations with a continuing relationship with USAID. They were not subject to local Bench Audits as their home offices are audited in compliance with the "Standards for Audit of Governmental Organization Programs, Activities and Function" and have approved Negotiated Indirect Cost Agreements (NICRAs) in place.

In 2nd Quarter, FY'02, the following Linkage Catalyst (Grant) Agreements will be submitted to the RCO for acceptance: Agricultural Business Chamber (ABC), GNFU, KWANALU, NERPO, Siyazisiza Trust, Agricultural Research Council ARC), Land O' Lakes, AIDS Training, Information, Counseling Center/Vukume, Catholic Relief Services/Sinosizo, Choice Comprehensive Health Care Trust/Vavasati, and Carole A. Baekey International Associates cc.

2.8 Gender Concerns

In 1st Quarter, FY'02, the gender component of each performance indicator was established in the Performance Monitoring Plan and included in all discussions of targets with the Linkage Officers. The AGRILINK II Project's progress as measured by its performance impact indicators shows substantial achievements in this required area.

The FY'02 target for female participation is 20%. In 1st Quarter FY'02 female participation was 19%. Specific Intermediate Results recorded higher levels of participation: 33% of all business transactions involved women (one thousand three hundred eleven (1,311)); 39% of small and medium agribusiness that benefited from markets identified by the project are women-owned (or with active participation) (one thousand one hundred forty one (1,141)); 18% of these businesses had linkages with larger entities; and, 36% of small agribusinesses that received access to capital are female owned (or with significant participation) (one hundred eighty eight (188)).

In addition, the Linkage Catalyst (Grant) Award agreements require that the grantee's proposal address gender needs within the specific area of the grant.

2.9 Environmental Concerns

During the quarter, Dr. Felipe Chaparro, Agricultural Administration Assistant and Environmental Assessment Specialist, worked on an environmental assessment model, based on USAID rules and regulations. This model specifically "define(s) environmental limiting factors that constrain development and identify and carry-out activities that assist in retaining the renewable resource base on which sustained development depends." It also identifies any possible training needs for project farmer clients. On 29th November 2001, Dr. Chaparro presented the basis for this model to the AGRILINK II Project at a staff development training session.

2.10 HIV/AIDS – Awareness, Prevention and Mitigation

On 9th October 2001, Mr. Brown and Ms. Walker met with Ms. Melinda Wilson, Senior Technical Advisor for AIDS and Reproductive Health, USAID/South Africa, and Ms. Anita Sampson, Project Specialist, Equity Project, USAID/South Africa, to discuss USAID's HIV/AIDS performance indicators. In November 2001, Mr. Brown presented them with a draft Results Framework and performance indicators, based on the USAID model, which they enthusiastically approved.

In 1st Quarter, FY'02, the AGRILINK II Project Eastern Cape office distributed two hundred and sixty three (263) condoms and educational materials to project clients. Field officers at the other provincial offices will be trained in the distribution of condoms and educational materials in 2nd Quarter, FY'02. The AGRILINK II Project Activity Report, which is the main report staff provide input to, has been modified to include documentation of the number of condoms distributed.

2.11 Performance Indicators

The AGRILINK II Project substantially met or exceeded the performance indicators for 1st Quarter, FY'02. In response to the S05's Objective: Number of Market-Driven Employment Opportunities Created, the AGRILINK II Project created two thousand two hundred sixty three (2,263) employment opportunities, versus the projected figure of two thousand seventy five (2,075). This was due primarily to the growth of livestock linkages and sale of fertilizer, pesticides and treated poles in Eastern Cape. The Rand value of these business transactions, R27,276,077, surpassed the quarterly target of R15,805,000 by R11,471,077.

This is a notable achievement, as the project was understaffed for the quarter. Possible linkages under Intermediate Result Indicator, 5.2.2D, Number of Privatized Public Enterprises, were identified in 1st Quarter, FY'02, and results are expected in 4th Quarter, FY'02. Similarly, the process to identify policy and regulatory constraints, Intermediate Results 5.2.2 C and D, began in 1st Quarter, FY'02 with discussions with Carole A. Beakey, Managing Director, Carole A. Beakey International Associates, cc. Dr. Nick Vink, Consultant, agricultural policy constraints, will continue the process in 2nd Quarter, FY'02.

The table is on page 18.

2.12 Monitoring and Evaluation

In 1st Quarter, FY'02, Mr. Allan Brown, Monitoring and Evaluation Manager, designed the AGRILINK II Project Performance Monitoring Plan (PMP). The PMP recognizes USAID performance monitoring criteria, identifies appropriate targets for each respective area, and addresses levels of responsibilities, as well as necessary project staff training. Mr. Brown engaged in significant discussion with project staff to ensure that the definitions and baseline data are accurate and appropriate to the project.

On 17th and 28th September 2001, Mr. Stockdale, CTO, and senior AGRILINK II project staff met to review and refine the project's performance indicators.

Throughout October 2001, Mr. Brown consulted regularly with Mr. Bill Brands, SO 5 Team Leader, Mr. Stockdale, and other stakeholders, including Mr. Henderson Patrick, Program Development Officer, and Ms. Joanne Feldson, Assistant Program Development Officer, USAID/South Africa, to finalize the AGRILINK II Performance Monitoring and Evaluation Plan performance indicator definitions.

In November 2001, Mr. Brown consulted with Mr. Brands and Mr. Stockdale on three (3) occasions to clarify currency-based performance indicator targets and reporting procedures in U.S. dollars. It was agreed that these targets will be set only in Rands, but reported in both Rands and dollars. Mr. Brown revised the PMP to reflect the updated Rand targets.

The proposed PMP will be presented to USAID on 22nd January 2002.

Once the Mission has approved the Performance Monitoring Plan, the PMP will inform USAID/South Africa at all project activity stages, through access to both analyzed qualitative and quantitative data during program implementation reviews, the R4 process, and at any other time information is requested.

On 16th November 2001, Mr. Brown met with Ms. Victoria Ndyamara, Manager, AIDS Training Information Counseling Center, on 23rd November 2001, with Ms. Fiona McDonald, Manager, Choice Comprehensive Health Center, and on 10th December 2001 with Ms. Sahai Burrowes, Regional Program Manager, Catholic Relief Services (CRS), each of whom represents a potential HIV/AIDS Linkage Catalyst grantee. Mr. Brown explained “strategic management,” the results framework and the performance indicators in depth. They were asked to select performance indicators appropriate to their particular activities and then establish baselines and targets for them. The detailed definitions of the relevant performance indicators were developed to measure the specifics of each of the diverse grantee activities.

On 11th-13th December 2001, Mr. Brown visited the AGRILINK II Eastern Cape Office to observe day-to-day field activities and test the “markets identified” reporting instrument in each situation. The instrument has been modified to ensure in quality reporting. Additional field training for the Eastern Cape and the other provinces has been planned for 2nd Quarter, FY'02, based on the success of this training.

3.0 PROJECT ADMINISTRATION

On 13th August 2001, Enterprise Management & Innovation (Pty) Ltd. (EM&I), was awarded the USAID/South Africa-funded South Africa: Increasing Employment Opportunities in Agriculture (AGRILINK II) Project contract. The project commenced on that date and will conclude on 30th September 2006. During the 1st Quarter, FY'02, project administration has focused primarily on procurement, recruitment and training issues, and USAID coordination, as detailed below.

3.1 Personnel

By the end of the 1st Quarter, FY'02 the Agrilink II Project had a staff complement of twelve (12). Mr. Jaime Reibel, the Chief-of-Party, began the project on 13th August 2001. Mr. Reibel, Mr. Ronald Ramabulana, Co-Deputy Chief-of-Party (Program) and National/International Market Linkages Manager, and Mr. Nicholas Shanga, National Financial Services and Business Development Manager, are the key personnel on the AGRILINK II Project. Mr. Ramabulana and Mr. Shanga both began work on 1st September 2001.

Other Home Office members of staff are Ms. Julialynne Walker, Co-Deputy Chief-of-Party (Administration) and HIV/AIDS Manager, Mr. Allan Brown, Monitoring and Evaluation Manager, and Dr. Felipe Chaparro, Agricultural Administrator and Environmental Assessment Manager. Mr. Brown and Dr. Chaparro began work on 1st September 2001, and Ms. Walker on 10th September 2001.

The original AGRILINK I Project personnel joined the Agrilink II Project on 16th October 2001. The AGRILINK II Project Eastern Cape Provincial Office staff consists of Mr. Leon Coetzee, Provincial Agribusiness Linkages Manager, Mr. Enoch Qwabe, Agribusiness Linkage Officer, Mr. Max Fihla, Livestock Marketing Officer, and Mr. Enoch Qwabe, Assistant Agribusiness Linkage Officer. On 12th November 2001, Mr. Mandla Ngcobo, was hired as the KwaZulu-Natal Provincial Manager (Program). (Please refer to Appendix for the AGRILINK II project Organigram)

On 8th November 2001, Mr. John Phipson, AGRILINK II Project National Technology Manager, was released during the mandatory probationary period required of all personnel, due to non-performance. After consultation with the USAID/South Africa Cognizant Technical Officer (CTO), it was agreed that this position would not be re-filled, and that the Agricultural Research

Council would provide access to appropriate technology. From 3rd-31st October 2001, Mr. C.B. Mostert and Mr. Alphons Dube were hired as short-term consultants to assist in establishing the project in Northern Province prior to the hire of permanent staff.

3.2 Procurement

As stated in the EM&I Technical Proposal, the AGRILINK II Project received the entire EM&I \$46,954 in-kind contribution of furniture and equipment in the first month of 1st Quarter, FY'02. A full-maintenance lease for project vehicles was concluded with Lease Management South Africa (Pty) Ltd., and fuel card contracts are in place.

3.3 Management Systems

On 23rd August 2001, a project banking account was opened with the Midrand branch of First National Bank. On 11th September 2001, Mr. Mike Wood, EM&I Home Office Financial Manager, circulated a memorandum specifying project accounting procedures. Project office and electronic equipment, furniture, vehicle and public liability insurance policies have been placed with Protax Insurance Brokers.

All financial expenditures for the project are first approved by the Chief-of-Party. A management system, supported by a set of administrative forms, has been established and staff has been trained in the timely, accurate and full completion of all reporting. All forms are maintained in the Home Office Financial Manager's office. A list is included in Appendix 3.

All programmatic administration is also coordinated through project forms. Each Field Officer's forms are completed either before or after the proposed Linkage activity and counter-signed by the relevant administrative officer. Any questions regarding proposed activities are raised immediately and resolved before project resources are committed. All forms are maintained in locked files kept in the Co-Deputy Chief-of-Party's (Program) office.

3.4 Staff Training

On 29th August 2001, a staff orientation session was held for all AGRILINK II Project staff. On 18th September 2001, Mr. Reibel and Mr. Ramabulana met with the Eastern Cape field staff to discuss yearly targets, markets and market strategy, producers and product linkages. On 25th September 2001, Mr. Ramabulana met with Northern Province consultants to provide the same training. On 22nd – 23rd October 2001, Ms. Walker met with Eastern Cape field staff to review administrative procedures. On 28th - 29th November 2001, a full staff development workshop was held at the AGRILINK II Project Head Office in Midrand to review the 1st Year Work Plan and to discuss individual performance plans.

3.5 Project Deliverables

During the quarter six (6) project deliverables were produced, including five (5) progress reports submitted to the CTO. On 12th October 2001, Mr. Dorvin Stockdale, Senior Agricultural Officer and AGRILINK II Project Cognizant Technical Officer (CTO), USAID/South Africa, informed the AGRILINK II Project by e-mail that the 1st Year Work Plan submission date would be extended due to conflicting USAID/South Africa work demands. On 1st November 2001, ten (10) copies of the 1st Year Work Plan were submitted to Mr. Stockdale.

Additionally, during 1st Quarter, FY'02, the AGRILINK II Project submitted Monthly Fiscal Reports, Vouchers and Standard Form 1034s. These documents provided USAID/South Africa with a summary by major line item of the previous month's actual expenditures.

As per agreement with the CTO in early September 2001, the period 13th August to 30th September has been incorporated into the 1st Quarter, FY'02, and hence appears in the 1st Quarterly Report, FY'02.

3.6 USAID Coordination, Notifications, Requests, Reporting, Pending Actions

3.6.1 USAID Coordination

During the quarter AGRILINK II Project staff provided frequent briefings to USAID/South Africa staff. Fifteen (15) such meetings were held, all of which are included in the attached table. (Please see Appendix B).

On 11th December 2001, Mr. Reibel informed Mr. Stockdale of a new, positive growth area on the AGRILINK II Project: the facilitation of land transfers between emerging black farmers (both as individuals and communities) and established white farmers, financed by the Department of Land Affairs (DLA) through Land Redistribution and Agricultural Development (LRAD) Facility grants.

3.6.2 USAID Notifications

On 4th September, Mr. Reibel, Chief-of-Party, AGRILINK II Project, advised Mr. Jerry Kryschtal, Regional Contracting Officer (RCO), USAID/South Africa, of proposed salary levels and fringe benefits packages for Ms. Walker, Co-Deputy Chief-of-Party (Administration) and HIV/AIDS Manager, and Mr. Brown, Monitoring and Evaluation Manager (60% appointment). EM&I split in two the originally combined position of Deputy Chief-of-Party (Administration) and Monitoring & Evaluation Manager after unsuccessful negotiations with the original candidate.

On 4th September 2001, Mr. Reibel, advised Mr. Kryschtal of the AGRILINK II Project's Linkage Catalyst (Grant) program objectives and methodology, and requested his concurrence with the same.

On 7th September 2001, Mr. Reibel, advised Mr. Kryschtal of the proposed salary level and fringe benefit package for Mr. Enoch Qwabe, Eastern Cape Provincial Linkages Manager. The change in Mr. Qwabe's monthly remuneration was based on of his expanded responsibilities, academic credentials and years of professional experience.

3.6.3 USAID Requests

On 16th November 2001, Mr. Reibel requested RCO approval of Contract Modification #2 to realign major line items and create a new major line item for Value Added Tax (VAT) at no additional cost to the AGRILINK II budget.

3.6.4 USAID Reporting

AGRILINK II Project Monthly Progress Reports were submitted to the CTO on 13th September 2001, 10th October 2001, 26th November 2001, and 7th December 2001. The AGRILINK II Project 1st Year Work Plan was submitted to the CTO on 1st November 2001. Monthly Vouchers were submitted to the Controller's Office on 11th October 2001, (for August and September 2001), 19th November 2001, (for October 2001) and 13th December 2001 (for November 2001).

3.6.5 USAID Pending Actions

At the end of 1st Quarter, FY'02, two (2) requests for approval by the RCO were pending action: 1) a request to accrue liabilities quarterly and to accelerate payment, under the Prompt Payment Act of AGRILINK II Project Linkage Catalyst (Grant) Agreement Invoices, and, 2) a request for approval of Contract Modification #2 to realign major line items and create a new major line item for Value Added Tax (VAT).

4 CONSTRAINTS/SOLUTIONS

Constraint #1: A major constraint during 1st Quarter, FY'02 was staff recruitment. While it was anticipated that the project would be fully staffed as of 16th October 2001, those tentatively identified, C.B. Mostert and Alphons Dube, were subsequently found to be unsuitable. It was also anticipated that two (2) of the Linkage Catalyst grantees would be able to second staff members to the AGRILINK II Project. Due to the need for limited grant competition, this process was delayed. Finally, one (1) staff member was released for non-performance during the quarter.

Solution: During the reporting period, a major effort was made to recruit staff members in KwaZulu-Natal and Northern Province, and appoint them in January/February 2002.

Constraint #2: During the reporting period, excessive rain in Eastern Cape prohibited farmers from planting at the appropriate times. This substantially reduced the size and number of forward contracts for maize, beans and sorghum.

Constraint #3: Access to finance remains a critical constraint for potential AGRILINK II project clients. This constraint negates a generally held belief that if there is a market, a farmer will receive production finance. A number of potential historically disadvantaged AGRILINK II Project clients have bad debts that prohibit any further financial assistance and undermine bankers' confidence in their farming ability.

Solution: The AGRILINK II Project has investigated a model where the buyer's financial status determines whether or not a loan will be provided to the seller. This model will be further developed in 2nd Quarter, FY'02.

Constraint #4: In the Eastern Cape, and to some extent in Northern Province and KwaZulu-Natal, the small size of the plots owned or accessed by potential clients is a constraint to increasing their commercial viability.

Solution: The AGRILINK II Project has begun to work more intensively with irrigation schemes where a number of smaller plots can be combined into a larger, more functional area. These combined areas are also being offered as leased land to medium agribusinesses.

5 MODIFICATIONS IN THE 1st YEAR WORK PLAN

During 1st Quarter, FY'02, a modification of the targets for KwaZulu-Natal and Northern Province was required due to staff recruitment extending into 2nd Quarter, FY'02. The original outputs have been added to those of the remaining quarters, although the commodities involved have changed.

In December 2001, the AGRILINK II Project recruited Mr. Philip Nel, previously Director, Emergent Agribusiness, Standard Bank, as the new project Corporate Finance Manager, beginning in January 2002. The addition of this position will facilitate access to finance for large commercial agribusiness deals involving project clients.

6 PROJECT ACTIVITY LEVEL OF EFFORT (LOE) CHART

The Appendix includes a Major Project Activities Level of Effort Chart, which identifies the amount of money and person months expended, and a measurement of each project activity as a percentage of the total number of person months worked during the quarter, as well as who performed the work.

In 1st Quarter, FY'02, 54% of total person months was devoted to programmatic activities and 46% to administration.

7 FINANCE

The Appendix presents a Financial Statement providing the AGRILINK II Project, 1st Quarter, FY'02 Quarterly Financial Summary, broken-down by major line item. First Quarter, FY'02 expenses amounted to \$379,232 or 3.93 % of total contract budget. This amount is lower than projected due primarily to lower-than-expected staff salary and office expenditures and the fluctuations in the Rand to Dollar exchange rate.

8 PROJECTED 2nd QUARTER, FY'02 ACTIVITIES

Projected activities during 2nd Quarter, FY'02 are, as follows:

January 2002

- Finalize staff appointments in KwaZulu-Natal and Northern Province
- Obtain four (4) additional vehicles for KwaZulu-Natal and Northern Province
- Develop and implement a new staff orientation training workshop on 14th - 16th January 2002
- Submit the Performance Monitoring Plan (PMP) to the CTO
- Develop performance reporting instruments, in line with proposed PMP definitions and standards
- Submit the December 2001 Progress Report to the CTO
- Submit the 1st Quarter Report, FY'02 to the CTO
- Submit completed Catalyst Linkage (Grant) Agreement applications to the Regional Contracting Officer
- Submit the December 2001 Monthly Fiscal Report, Detailed Invoice and Standard Form 1034 to the Controller's Office

February 2002

- Convene the first AGRILINK II Project Advisory Board meeting
- Draft the terms of reference and hire Dr. Nick Vink on a short-term consultancy to identify agricultural policy and regulatory constraints
- Collaborate with the Agricultural Research Council to draft the terms of reference for Northern Province and KwaZulu-Natal producer and market surveys
- Submit the January 2002 Progress Report to the CTO

AGRILINK II Project
1st Quarterly Report, FY'02

- Submit the final completed Catalyst Linkage (Grant) Agreement applications to the Regional Contracting Officer
- Submit the January 2002 Monthly Financial Report, Detailed Invoice and Standard Form 1034 to the Controller's Office
- Provide orientation and training to the new AGRILINK II Project staff
- Open the AGRILINK II Project Northern Province office in Pietersburg
- Review all previous quarter performance data, utilizing the definitions and measurements provided in the PMP
- Implement performance reporting, using approved PMP definitions and standards

March 2002

- Submit the February Progress Report to the CTO
- Submit the February 2002 Monthly Fiscal Report, Detailed Invoice and Standard Form 1034 to the Controller's Office
- Launch a campaign to create supply and distribution partnerships with agribusiness input suppliers and processors
- Meet with all Catalyst Linkage grantees to ensure delivery compatible with USAID regulations

APPENDICES

1. AGRILINK II Project Performance Indicators
2. AGRILINK II Project Staff Organigram
3. AGRILINK II Project Internal Management Forms
4. AGRILINK II Project Coordination Meetings
5. AGRILINK II Project Major Project Activities Level of Effort Chart
6. AGRILINK II Project Quarterly Financial Summary

AGRILINK II Project

Performance Indicators

1st QTR., FY'02

(13 August to 31 December 2001)

PERFORMANCE INDICATORS	TOTAL		
	MALE	FEMALE	TOTAL
SO5 INCREASED MARKET-DRIVEN EMPLOYMENT OPPORTUNITIES CREATED			
Number of Market-Driven Employment Opportunities Created	1,923	340	2,263
IR 5.2 INCREASED COMMERCIAL VIABILITY OF EXISTING SMALL & MEDIUM AGRIBUSINESSES			
A. Number of Business Transactions	5,459	1,311	6,770
B. Value of Business Transactions (S.A. Rand converted to U.S. Dollars)	R 20,705,086 \$2,039,909	R 6,570,991 \$647,388	R 27,276,077 \$2,687,298
IR 5.2.1 MARKETS FOR SMALL & MEDIUM AGRIBUSINESS IDENTIFIED			
A. Number of Markets Identified	5,179	1,141	6,320
B. Number of Profitable Product Lines Developed or Enhanced	292	104	396
C. Number of Markets Established with Larger Entities	2,437	524	2,961
IR 5.2.2 ENHANCED SMALL & MEDIUM AGRIBUSINESS CAPACITY TO RESPOND TO MARKETS			
A. Number of Entrepreneurs Who Received Business Training	933	559	1,492
B. Number of Entrepreneur Hours of Business Training	697	420	1,117
C. Number of Value-Added Technologies	85	42	127
D. Number of Privatized Public Enterprises	0	0	0
E. Value of Privatized Public Enterprises (S.A. Rand converted to U.S. Dollars)	R 0 \$0	R 0 \$0	R 0 \$0
IR 5.2.3 INCREASED SMALL & MEDIUM AGRIBUSINESS ACCESS TO CAPITAL RESOURCES			
A. Number of Entities that Access Finance	329	188	517
B. Value of Finance Accessed by Entities (S.A. Rand converted to U.S. Dollars)	R 6,974,722 \$687,164	R 3,452,358 \$340,133	R 10,427,080 \$1,027,298
IR 5.2.4 REDUCED POLICY & REGULATORY CONSTRAINTS TO SMALL & MEDIUM AGRIBUSINESS DEVELOPMENT			
A. Number of Business Clusters Assisted with Policy Reforms	N/A	N/A	0
B. Number of Policy Environment Changes	N/A	N/A	0
C. Matrix Score on the Evolution of Policy Issues Key to Employment Generation in SME Agribusiness	N/A	N/A	0

Exchange Rate: US\$1 = R10.15

(Based on the average of the exchange rates for the start of the reporting period, 13th August 2001, and the end of the reporting period, 31st December 2001)

APPENDIX 2. AGRILINK II PROJECT STAFF ORGANIGRAM

APPENDIX 3. AGRILINK II PROJECT INTERNAL MANAGEMENT FORMS

ID	TEMPLATE
A	Activity Report
B	Cash Advances Reconciliation
C	Casual Worker Timesheet
D	Employee Banking Details
E	Employee Performance Management Agreement
F	Eastern Cape Provincial Office – Fax Memorandum
G	KwaZulu-Natal Provincial Office – Fax Memorandum
H	Northern Province Provincial Office – Fax Memorandum
I	Fax Memorandum
J	Internal Memorandum
K	Internal Transfer Request Voucher
L	Leave Request Form
M	Letterhead
N	Memorandum
O	Memorandum To File
P	Payment Request Voucher
Q	Petty Cash Requisition
R	Purchase Requisition
S	Receipt
T	Request for Advance
U	Supplier Banking Details
V	Tender Technical Specifications & Analysis
W	Timesheet
X	Travel Expense Report
Y	Travel Authorisation Form
Z	Vehicle Tripsheet & Travel Claim Form
AA	Usage Log for Laptop Computer
BB	Vehicle Tripsheet
CC	Vodacom Recharge Voucher Control Sheet
DD	Weekly Planned Activities
EE	Farmer Contact Form
FF	Copy of Markets Identified-

APPENDIX 4. COORDINATION MEETINGS
1st QTR., FY'02
(August – September 2001)

	EXTERNAL ATTENDEES	AGRILINK II PROJECT ATTENDEES	PURPOSE
27/08/01	Mr. Dorvin Stockdale, CTO/Senior Agricultural Advisor; Ms. Barbara Krell, Controller; Ms. Lynn Coetzee, Voucher Examiner, Controller's Office, USAID/South Africa	Mr. Jaime Reibel, Chief-of-Party; Mr. Mike Wood, EM&I Home Office Financial Manager	To discuss the submission of vouchers and the schedule of payments
30/08/01	Mr. Bill Brands, Head, SO5; Mr. Dorvin Stockdale, CTO/Senior Agricultural Advisor; Mr. Henderson Patrick, Program Director, PPD Office; Mr. Michael Klesh, Senior SMME Advisor; Ms. Nokuzola Mambelo, Program Specialist, PME; Ms. Bannerjee Dillon, New Entry Professional, USAID/South Africa, Pretoria Office	Mr. Jaime Reibel, Chief-of-Party; Simon Aphane, Managing Director, EM&I and AGRILINK II Project Home Office Backstop; Mr. Ronald Ramabulana, Co-Deputy Chief-of-Party (Program); Ms. Julia Lynne Walker, Co-Deputy Chief-of-Party (Administration); Mr. Mike Wood, EM&I Home Office Financial Manager; Mr. Nicholas Shanga, National Financial Services and Business Development Manager; Mr. John Phipson, National Technology Manager; Mr. Felipe Chaparro, Agricultural Administrator; Mr. Enoch Qwabe, Eastern Cape Provincial Manager; Mr. Leon Coetzee, Agribusiness Linkage Officer – Land Transfers; Mr. Max Fihla, Livestock Marketing Specialist; Mr. Mandla Ngcobo, KwaZulu-Natal Provincial Manager (Program); Mr. C.B. Mostert, Consultant, Northern Province; and, Mr. Alphons Dube, Consultant, Northern Province	To introduce the AGRILINK II members to USAID/South Africa and to review the transition from the AGRILINK I Project to AGRILINK II
31/08/01	Mr. Aaron Motsoaledi, MEC Agriculture, Land And Environment, Northern Province; Dr. Phil Mohlahlana, Head of Department, Agriculture and Land; Mr. Bill Brands, Head, SO5; Mr. Dorvin Stockdale, CTO/Senior Agricultural Advisor, USAID/South Africa	Mr. Jaime Reibel, Chief-of-Party; Mr. Simon Aphane EM&I Managing Director and AGRILINK II Project Home Office Backstop; Mr. Ronald Ramabulana, Co-Deputy Chief-of-Party (Program)	To introduce the Private Sector Office, USAID/South Africa to Northern Province Department of Agriculture
1/09/01	King Kennedy Tshavhase, King of the Vendas; Mr. Ramagondo, Head, Venda Tribal Authority; Mr. Bill Brands, Head, SO5 and Mr. Dorvin Stockdale, CTO/ Senior Agricultural Advisor, USAID/South Africa	Mr. Jaime Reibel, Chief-of-Party; Mr. Simon Aphane EM&I Managing Director and AGRILINK II Project Home Office Backstop; Mr. Ronald Ramabulana, Co-Deputy Chief-of-Party (Program)	To introduce the Private Sector Office, USAID/South Africa to the Venda King
03/09/01	National Emergent Red Meat producers Organization (NERPO) Annual General Meeting	Mr. Ronald Ramabulana, Co-Deputy Chief-of-Party (Program)	To introduce the AGRILINK II Project and to announce the professional development travel bursaries generated by the AGRILINK I Project
07/09/01	Mr. Reuben Matlala, Investment Coordinator, Agro-Forestry, Community Public/Private Partnership Program, Development Bank of South Africa	Mr. Ronald Ramabulana, Co-Deputy Chief-of-Party (Program)	To review potential private sector projects sponsored by the Department of Trade and Industry
07/09/01	Mr. Billy Morokolo, Deputy Director, Agri-Processing, Department of trade and Industry	Mr. Ronald Ramabulana, Co-Deputy Chief-of-Party (Program)	To review potential private sector projects sponsored by the Department of Trade and Industry
17/09/01	Mr. Godfrey Rathogwa, Chairperson, National Agricultural Marketing Council (NAMC), and Mr. Winston Mvabaza, Deputy Chairperson, NAMC	Mr. Ronald Ramabulana, Co-Deputy Chief-of-Party (Program)	To obtain a list of producer associations and agricultural marketing firms in South Africa
19/09/01	Mr. Dirk Dijkerman, Mission Director, USAID/South Africa	Mr. Ronald Ramabulana, Co-Deputy Chief-of-Party (Program); Mr. Nicholas Shanga, National Financial Services Manager; Mr. Simon Aphane, EM&I Managing Director and Home Office Backstop	To host the Mission Director on a site visit to the AGRILINK II Project Eastern Cape Office
29/09/01	Mr. John Allwood, Permanent Secretary, Eastern Cape Department of Agriculture	Mr. Ronald Ramabulana, Co-Deputy Chief-of-Party (Program)	To identify potential provincial projects
29/09/01	Ms. Victoria Ndyamara, Director, AIDS Training, Information and Counseling Center	Mr. Ronald Ramabulana, Co-Deputy Chief-of-Party (Program)	To discuss the Catalyst Linkage (Grant) Agreement procedures

COORDINATION MEETINGS
1st QTR., FY'02
(October 2001)

DATE	EXTERNAL ATTENDEES	AGRILINK II PROJECT ATTENDEES	PURPOSE
03/10/01	Mr. Bill Brands, Head, SO5, USAID/South Africa; Mr. Dorvin Stockdale, CTO/Senior Agricultural Advisor, USAID/South Africa	Mr. Jaime Reibel, Chief-of-Party; Simon Aphane, Managing Director, EM&I and AGRILINK II Project Home Office Backstop	AGRILINK II grants
03/10/01	Mr. Bill Brands, Head SO5 USAID/South Africa; Mr. Dorvin Stockdale, CTO/Senior Agricultural Advisor, USAID/South Africa	Mr. Jaime Reibel, Chief-of-Party; Ronald Ramabulana, Co-Deputy Chief-of-Party (Program); Mr. Allan Brown, Monitoring and Evaluation Manager	Performance monitoring
05/10/01	Mr. Aggrey Mahanjana, General Manager, National Emerging Red Meat Producers Organization	Mr. Jaime Reibel, Chief-of-Party; Mr. Simon Aphane, Managing Director, EM&I; Ms. Julialynne Walker, Co-Deputy Chief-of-Party (Administration); Dr. Felipe Chaparro, Administrative Assistant and Environmental Specialist	To support five NERPO members' departure for a livestock skills development trip to Texas
09/10/01	Ms. Melinda Wilson, Senior Technical Advisor for AIDS and Reproductive Health, USAID/South Africa; Ms. Anita Sampson, Project Specialist: Equity Project, USAID/South Africa	Ms. Julialynne Walker, Co-Deputy Chief-of-Party (Administration); Mr. Allan Brown, Monitoring and Evaluation Manager	To review the project's HIV/AIDS component and discuss performance indicators.
10/10/01	Mr. Tim Staples, Assistant Controller, USAID/South Africa; Ms. Lynn Coetzee, Voucher Examiner, USAID/South Africa	Ms. Julialynne Walker, Co-Deputy Chief-of-Party (Administration); Mr. Mike Wood, EM&I Home Office Financial Manager	To clarify fiscal reporting requirements
11/10/01	Mr. Dorvin Stockdale, CTO/Senior Agricultural Advisor, USAID/South Africa	Mr. Jaime Reibel, Chief-of-Party; Ms. Julialynne Walker, Co-Deputy Chief-of-Party (Administration)	To review the initial grant proposals
11/10/01	Mr. Bill Brands, Head, SO5, USAID/South Africa; Mr. Dorvin Stockdale, CTO/Senior Agricultural Advisor, USAID/South Africa	Mr. Ronald Ramabulana, Co-Deputy Chief-of-Party (Program); Ms. Julialynne Walker, Co-Deputy Chief-of-Party (Administration); Mr. Allan Brown, Monitoring and Evaluation Manager; Mr. Nicholas Shanga, National Financial Services Manager	To finalize indicator performance definitions.
12/10/01	Dr. Johan van Rooyen, Executive Director, Agricultural Business Chamber (ABC)	Ms. Julialynne Walker, Co-Deputy Chief-of-Party (Administration)	To discuss the ABC grant proposal
12/10/01	Mr. Peter Parr, Assistant Vice President - Africa, ACDI/VOCA; Mr. John Engle, Chief-of-Party, ACDI/VOCA, Malawi	Mr. Jaime Reibel, Chief-of-Party; Ms. Julialynne Walker, Co-Deputy Chief-of-Party (Administration); Mr. Nicholas Shanga, National Financial Services Manager	To discuss the provision of emergent agribusiness loan clients to the Imali Project
18/10/01	Mr. Masiphula Mbongwe, Deputy Director-General, National Department of Agriculture, South Africa	Mr. Jaime Reibel, Chief-of-Party; Mr. Simon Aphane, Managing Director, EM&I; Mr. Ronald Ramabulana, Co-Deputy Chief-of-Party (Program)	To introduce the AGRILINK II Project
19/10/01	Mr. Harry Strauss, Permanent Secretary, Department of Agriculture, KwaZulu-Natal; Ms. Carole A. Baekey, Carole A. Baekey Associates International	Mr. Jaime Reibel, Chief-of-Party; Ms. Julialynne Walker, Co-Deputy Chief-of-Party (Administration)	To discuss technical areas of cooperation between the KZN Department of Agriculture and the AGRILINK II Project
19/10/01	Ms. Sandy LaMarque, President, KwaZulu-Natal Agricultural Union (KWANALU)	Mr. Jaime Reibel, Chief-of-Party; Ms. Julialynne Walker, Co-Deputy Chief-of-Party (Administration)	To discuss KWANALU's grant proposal
23/10/01	Ms. Victoria Ndyamara, Manager, AIDS Training Information Counseling Center (ATICC), Queenstown	Ms. Julialynne Walker, Co-Deputy Chief-of-Party (Administration)	To discuss ATICC/ Vukume's grant proposal
24/10/01	Mr. Dorvin Stockdale, CTO, USAID/South Africa; Ms. Kristin Penn, Director – New Business, International Division and Mr. William Bullock, Project Officer, International Development, Land O'Lakes	Mr. Jaime Reibel, Chief-of-Party; Mr. Ronald Ramabulana, Co-Deputy Chief-of-Party	To discuss Land O'Lakes' grant proposal
25/10/01	Mr. George Oricho, General Manager: Development Markets, Land Bank; Mr. Mishack Maloba, Manager: Projects and Land Reform Support, Land Bank	Mr. Jaime Reibel, Chief-of-Party; Ms. Julialynne Walker, Co-Deputy Chief-of-Party (Administration)	To discuss the Land Bank's grant proposal
25/10/01	Mr. Dorvin Stockdale, CTO/Senior Agricultural Advisor, USAID/South Africa	Mr. Jaime Reibel, Chief-of-Party; Ms. Julialynne Walker, Co-Deputy Chief-of-Party (Administration)	To review grant proposals received in response to the limited competition

COORDINATION MEETINGS
1st QTR., FY'02
(November 2001)

DATE	EXTERNAL ATTENDEES	AGRILINK II PROJECT ATTENDEES	PURPOSE
02/11/01	Mr. Harry Strauss, Permanent Secretary, Department of Agriculture, KwaZulu-Natal; Dr. Sibusiso Dlodlu, Chief Director, Technology and Development, Department of Agriculture, KwaZulu-Natal; Mr. Patrick Sokhela, Vice-Chair, KwaZulu-Natal Agricultural Development Forum; Mr. Sibusiso Ngubani, Banking Sector Representative, KwaZulu-Natal Agricultural Development Trust; Ms. Hemi Mistry, Manager, Development Trust; Ms. Sandy LaMarque, Director, KWANALU; Mr. Nkosinathi Zondi, Development Manager, KWANALU; Ms. Carole Baekey, Director, Carole Baekey International Associates	Mr. Ronald Ramabulana, Co-Deputy Chief-of-Party (Program); Ms. Julialynne Walker, Co-Deputy Chief-of-Party (Administration); Mr. Nicholas Shanga, National Financial Services Manager; Mr. John Phipson, National Technology Manager; Mr. Mandla Ngcobo, Consultant, AGRILINK II Project	To identify specific areas of partnership between the project and the different institutions.
05/11/01	Mr. Lieb Venter, Chief Agricultural Economist, Farm Vision; Mr. Theunis Coetzee, Agricultural Economist, Farm Vision; Mr. Pieter Bronn, Agricultural Economist, Farm Vision	Mr. Jaime Reibel, Chief-of-Party; Mr. Ronald Ramabulana, Co-Deputy Chief-of-Party (Program)	To identify dairy projects where Farm Vision could provide support services
06/11/01	Mr. Vic Ballot, Sales Executive, Scania	Mr. Jaime Reibel, Chief-of-Party	To discuss the export of tomatoes from KwaZulu-Natal as an offset under the arms deal
08/11/01	Mr. Orlando Mostert, President, APROCOT, Inc.	Mr. Jaime Reibel, Chief-of-Party; Mr. Ronald Ramabulana, Co-Deputy Chief-of-Party (Program); Mr. Nicholas Shanga, National Financial Service Manager; Dr. Felipe Chaparro, Administrative Assistant and Environmental Specialist; Theunis Duvenhage, Business Analyst; Mr. Eamonn Quinn, Group Corporate Counsel	To discuss the use of maize for the production of ethanol
08/11/01	Mr. Bill Brands, Head SO5, USAID/South Africa; Mr. Dorvin Stockdale, CTO/Senior Agricultural Advisor, USAID/South Africa	Mr. Allan Brown, Monitoring and Evaluation Manager	To discuss the currency-based performance indicator targets. These targets will be set in Rand only.
08/11/01	Ms. Fiona McDonald, Manager, Choice Comprehensive Health Center	Ms. Julialynne Walker, Co-Deputy Chief-of-Party and HIV/AIDS Manager	To review modifications to Choice's grant proposal
13/11/01	Ms. Barbara Giacomini, Counselor (Commercial) and Consul, Canadian High Commission; Ms. Karen Garner, Trade Commissioner, Canadian High Commission	Mr. Ronald Ramabulana, Co-Deputy Chief-of-Party (Program); Dr. Felipe Chaparro, Administrative Assistant and Environmental Specialist	To facilitate linkages between Canadian companies in South Africa and the AGRILINK II Project.
13/11/01	Mr. Will Center, Commercial Consul, United States Commercial Service	Mr. Jaime Reibel, Chief-of-Party; Mr. Simon Aphane, EM&I Home Office Backstop	To discuss the organization of an American/South African agribusiness conference to promote agribusiness linkages
14/11/01	Mr. Elson Mukwevho, Financial Manager, Baobab Technologies Holdings; Mr. Andrew Ramabulana, Administration Manager, Baobab Technologies Holdings; Ms. Gladys Makhela, Purchasing Manager, Baobab Technologies Holdings	Mr. Ronald Ramabulana, Co-Deputy Chief-of-Party (Program); Ms. Julialynne Walker, Co-Deputy Chief-of-Party (Administration)	To introduce the AGRILINK II Project and to determine areas of cooperation
15/11/01	Mr. Dorvin Stockdale, CTO/Senior Agricultural Advisor, USAID/South Africa	Mr. Allan Brown, Monitoring and Evaluation Manager	To clarify currency-based performance indicator targets and to clarify reporting procedures in U.S. dollars.
15/11/01	Ms. Melinda Wilson, Senior Technical Advisor for AIDS and Reproductive Health, USAID/South Africa	Mr. Allan Brown, Monitoring and Evaluation Manager	To introduce and discuss the HIV-AIDS Performance Monitoring Plan; to determine which of the indicators would be reported to USAID/South

AGRILINK II Project
1st Quarterly Report, FY'02

			Africa
15/11/01	Mr. Dirk Dijkerman, Director, USAID/South Africa; Mr. Dorvin Stockdale, CTO/Senior Agricultural Advisor, USAID/South Africa; Willie Höll, Chief-of-Party, SEMED	Mr. Simon Aphane, EM&I Home Office Backstop and; Mr. Allan Brown, Monitoring and Evaluation Manager	To explain the AGRILINK II Project's Commodity Employment Opportunity Equivalences formula
16/11/00	Ms. Victoria Ndyamara, Manager, AIDS Training Information Counseling Center, (ATICC) Queenstown	Mr. Allan Brown, Monitoring and Evaluation Manager	To introduce and discuss the HIV Performance Monitoring Plan for ATICC
16/11/01	Mr. P.M. Mathe, President, Great North Farmers Union	Mr. Ronald Ramabulana, Co-Deputy Chief-of-Party (Program); Ms. Julialynne Walker, Co-Deputy Chief-of-Party (Administration)	To review the grant proposal and the resources of the Great North Farmers Union
19/11/01	Ms. Nicky Benn, Coordinator, Agribusiness Volunteer Program, Southern Africa; Bill Whiting, Director, Small Enterprise Development, Citizens Network for Agriculture	Mr. Jaime Reibel, Chief-of-Party	To discuss the development of a farmer-to-farmer program
21/11/01	Mr. Brian Tait, Business Development Manager, Downstream Chemical Industry Development, SASOL Technology (Pty) Ltd.	Mr. Jaime Reibel, Chief-of-Party; Ronald Ramabulana, Co-Deputy Chief-of-Party (Program)	To discuss the production of ethanol from maize, SASOL as a market for beeswax and technology transfer for the improvement of the extraction of aloein from aloe ferox
23/11/01	Ms. Fiona McDonald, Manager, Choice Comprehensive Health Center	Mr. Allan Brown, Monitoring and Evaluation Manager	To introduce and discuss the HIV Performance Monitoring Plan for Choice
28/11/01	Mr. Mike Kenyon, Provincial Manager, Department of Land Affairs	Mr. Jaime Reibel, Chief-of-Party; Leon Coetzee, Provincial Manager, Agribusiness Linkages – Eastern Cape	To discuss the transfer of farms in the Eastern Cape utilizing the Department of Land Affairs budget
28/11/01	Ms. Sandy LaMarque, Executive Director, KWANALU	Mr. Jaime Reibel, Chief-of-Party	To discuss KWANALU's grant proposal
29/11/01	Mr. Dorvin Stockdale, CTO/Senior Agricultural Advisor, USAID/South Africa	Mr. Jaime Reibel, Chief-of-Party; Ms. Julialynne Walker, Co-Deputy Chief-of-Party (Administration); Mr. Ronald Ramabulana, Co-Deputy Chief-of-Party (Program); Mr. Nicholas Shanga, National Financial Services Manager; Mr. Allan Brown, Monitoring and Evaluation Manager; Dr. Felipe Chaparro, Environmental Manager; Mandla Ngcobo, KwaZulu-Natal Provincial Manager, Agribusiness Linkages; Leon Coetzee, Eastern Cape Provincial Manager, Agribusiness Linkages; Enoch Qwabe, Eastern Cape Agribusiness Linkages Officer; Max Fihla, Eastern Cape Livestock Marketing Officer; Dumisani Lutseke, Eastern Cape Administrative Assistant	To review the First Year Work Plan
29/11/01	Mr. Dorvin Stockdale, CTO/Senior Agricultural Advisor, USAID/South Africa	Mr. Allan Brown, Monitoring and Evaluation Manager	To confirm currency-based performance monitoring indicator targets (non-inflation based)
30/11/01	Mr. Mike Anderson, Chief-of-Party, Nathan and Associates; Mr. Roland Mirilees, Economist, Nathan and Associates; Dr. Cobus Coetzee, Assistant Director, Roodeplaat Vegetable and Ornamental Plant Institute, Agricultural Research Council	Mr. Jaime Reibel, Chief-of-Party	To discuss the development of a carbon sink project

COORDINATION MEETINGS
1st QTR., FY'02
(December 2001)

DATE	EXTERNAL ATTENDEES	AGRILINK II PROJECT ATTENDEES	PURPOSE
04/12/01	Mr. Phillip Nel, National Manager Emergent Farmers, Standard Bank	Mr. Jaime Reibel, Chief-of-Party	To discuss his candidacy for a position with the AGRILINK II Project
04/12/01	Mr. Piet Lutting, Manager, Cooperative Development Initiative, Agricultural Business Chamber (ABC)	Ms. Julialynne Walker, Co-Deputy Chief-of-Party (Program)	To discuss provincial aspects of the ABC grant application
05/12/01	Mr. Brian Tate, Business Development Manager, SASOL Technology (Pty) Ltd.	Mr. Ronald Ramabulana, Co-Deputy Chief-of-Party (Program)	To finalize a paprika project and discuss new developments on the alooe project
06/12/01	Mr. Charles Mashile, Marketing Development Coordinator, Syngenta	Mr. Ronald Ramabulana, Co-Deputy Chief-of-Party (Program)	To address the provision of pesticides and herbicides to project farmers
07/12/01	Dr. David Weatherspoon, Assistant Professor and Director, Agribusiness Management, Michigan State University	Mr. Jaime Reibel, Chief-of-Party, Mr. Ronald Ramabulana, Co-Deputy Chief-of-Party (Program)	To discuss new product marketing opportunities
08/12/01	Mr. Templeton Yoba, Manager, Developing Agriculture, SASOL	Mr. Ronald Ramabulana, Co-Deputy Chief-of-Party (Program)	To be briefed on the restructuring of SASOL's regional offices in Eastern Cape and KwaZulu-Natal
10/12/01	Mr. Vic Ballot, Sales Representative, Scania	Mr. Jaime Reibel, Chief-of-Party	To discuss large-scale tomato projects
10/12/01	Ms. Sahai Burrowes, Program Manager, Catholic Relief Services (CRS)	Ms. Julialynne Walker, Co-Deputy Chief-of-Party (Administration), Mr. Allan Brown, Monitoring and Evaluation Manager	To refine the performance indicators for the CRS grant
12/12/01	Johan Swiegers, Editor, <u>NuFarmer & African Entrepreneur</u>	Mr. Jaime Reibel, Chief-of-Party	To discuss the AGRILINK II Project articles that will be published in <u>NuFarmer</u> in 2002
13/12/01	Mr. Karl Fickenscher, Regional Legal Advisor, and Mr. Jerry Kryschal, Regional Contracting Officer, USAID/South Africa	Mr. Jaime Reibel, Chief-of-Party, Mr. Mike Wood, EM&I Home Office Financial Manager, Mr. Eamonn Quinn, EM&I Group Corporate Counsel	To discuss an AGRILINK II Project contract modification to insert a VAT line item in the budget and the procedure to determine eligible costs
19/12/01	Dr. Juliana Rwelamira, Associate Director, Post Graduate Studies, University of Pretoria	Mr. Ronald Ramabulana, Co-Deputy Chief-of-Party (Program), Ms. Julialynne Walker, Co-Deputy Chief-of-Party (Administration)	To discuss areas of synergy between the AGRILINK II Project and the University of Pretoria's Department of Rural Enterprise Development

APPENDIX 5. MAJOR PROJECT ACTIVITIES LEVEL OF EFFORT CHART

ENTERPRISE MANAGEMENT & INNOVATION (PTY) LTD

AGRILINK II PROJECT

CONTRACT NUMBER: 674-C-00-01-00032-01

MAJOR PROJECT ACTIVITIES

LEVEL OF EFFORT 1ST QUARTER, FY '02

Component (Major Activity)	Average Personnel Salary & Benefits US\$	Person Months	Major Activity as % of Total Person Months	Chief-of-Party (# of days)	Co-Deputy Chief-of-Party (Administration) (# of days)	Co-Deputy Chief-of-Party (Program) (# of days)	National Financial Services Manager (# of days)	Performance Monitoring & Evaluation Manager (# of days)	Agricultural Administrator & Environmental Monitoring & Training Specialist (# of days)	National Technology Manager	Business Linkages Managers / Officers (4) (# of days)	Administrative Assistant (# of days)	Project Backstops (2) (# of days)
Project Administration	85,523	12.7	37%	73.5	57.5	13.1	8.9	-	56.3	3.0	25.6	31.4	11.0
Grants Administration	5,569	0.6	2%	5.0	7.5	-	-	-	-	-	-	-	-
Project Accounting	1,994	0.6	2%	-	-	-	-	-	-	-	-	-	13.8
Staff Training and Development	6,494	1.9	6%	3.0	4.0	2.0	3.0	2.0	3.0	2.0	17.9	5.5	0.5
Performance Monitoring & Evaluation	22,864	3.2	9%	-	-	4.6	-	64.7	-	-	-	-	-
Market Identification & Business Linkages	16,045	8.1	23%	2.0	-	38.8	16.1	-	-	10.0	100.5	10.0	-
Access to Appropriate Technology	5,023	2.4	7%	-	-	1.8	-	-	-	50.0	-	-	-
Business / Entrepreneurial Skills Training	797	0.6	2%	-	-	-	7.0	-	-	-	6.0	-	-
Access to Finance	4,737	3.3	10%	-	-	-	39.0	-	-	-	31.6	2.1	-
HIV / AIDS Education & Awareness	1,032	0.2	1%	-	4.3	-	-	-	-	-	-	-	-
Environmental Assessment & Training	375	0.2	1%	-	-	-	-	-	5.0	-	-	-	-
Policy Reform	-	-	0%	-	-	-	-	-	-	-	-	-	-
Co-ordination	6,062	0.7	2%	4.0	2.0	2.0	-	2.0	-	-	3.4	-	3.0
TOTAL	156,514	34.5	100%	87.5	75.3	62.3	74.1	68.7	64.3	65.0	185.0	49.0	28.3

NOTE: 1st Quarter, FY'02 includes the period 13 August 2001 to 31 December 2001.

